

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the
Commission's Future Energy Efficiency Policies,
Administration and Programs.

Rulemaking 01-08-028
(Filed August 23, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING
GRANTING EXTENSIONS TO
TWO ENERGY EFFICIENCY PROGRAM IMPLEMENTERS**

This ruling grants the separate motions of the Quantum Consulting, Inc. (Quantum) and SBW Consulting, Inc. (SBW) to extend the time previously granted for implementing specified energy efficiency programs.

Motions of Quantum and SBW

Quantum -- Quantum filed a motion on March 30, 2004, seeking an extension of time to complete its Oakland Energy Partnership Program in Pacific Gas and Electric Company's (PG&E) service territory. It proposes to extend the program completion date from June 2004 to October 31, 2005. The program offers a variety of energy savings services to commercial facilities, including hospitals, schools and office buildings. All facilities are in the City of Oakland. Quantum explains that some of the program services have long lead times and implementation was delayed due to delays in finalizing its contract with PG&E. As a result of contract delays, the implementation period was reduced from the authorized period of 24 months to 15 months. Quantum states the program has been successful so far and the extension would not require any additional funding.

SBW -- SBW filed a motion on April 19, 2004 seeking an extension of time until October 31, 2004 to complete its Compressed Air Management Program. The program serves large industrial customers in PG&E's service territory. SBW explains it does not require extra time to recruit new participants but to implement energy savings measures applied for by existing participants. SBW states implementation has been delayed for some participants because of the time it has taken them to secure funding for SBW's energy efficiency measures. SBW also explains that this two-year program was delayed because its contract with PG&E was not finalized until September 2002. Granting SBW's request would not require funding beyond what the Commission granted for this program.

Comments on the Requests of SBW and Quantum – On April 30, 2004, San Diego Gas & Electric Company and Southern California Gas Company (together Sempra Companies) filed a response to both these motions. Sempra Companies' response objects to granting an extension of time on the basis that such action would "open the door to a flood of similar requests." They raise concerns that the programs overlap with 2004-05 program implementation and argue that the implementers have had adequate time to implement their programs and should not be rewarded for delay.

Although I understand the concern raised by Sempra Companies, the Commission does not normally deny one party's otherwise reasonable request on the basis that it might motivate similar and otherwise reasonable requests from other parties. Commission staff has reviewed the requests of the organizations requesting extensions of time and find them to be reasonable under the circumstances and especially considering that those organizations were unable to begin implementing their respective programs until well into the

first year of their funding cycle. The extensions of time will not increase program costs. Although the Commission welcomes Sempra Companies' insights on these issues, the Commission wishes to provide these organizations an opportunity to complete their programs and maximize energy efficiency savings with remaining funds.

This ruling grants Quantum's motion to extend the program completion date from June 2004 to October 31, 2005. This ruling also grants SBW's motion.

Comments on Previous Requests for Extensions of Time -- California Integrated Waste Management Board (CIWMB) filed for an extension of time to complete its energy efficiency program on March 17, 2004. Geothermal Heat Pump Consortium (GHPC) filed for an extension of time to complete its energy efficiency program on March 23, 2004 and the Electric and Gas Industries Association (EGIA) filed for an extension of time to implement its energy efficiency program on March 23, 2004. On March 26, 2004, San Diego Gas & Electric Company and Southern California Gas Company (together Sempra Companies) filed a response to all three of these motions. On April 6, 2004, the Administrative Law Judge (ALJ) issued a ruling granting an extension of time to CIWMB. On April 12, 2004, the ALJ issued a ruling granting extensions of time to GHPC and EIGA. The ruling inadvertently failed to recognize the response filed by Sempra Companies. This ruling addresses Sempra Companies' response.

As with the objection to extending the implementation periods for Quantum and SBW, Sempra Companies' response objects to granting an extension of time on the basis that such action would motivate similar requests and because the programs have overspent administrative budgets relative to direct implementation budgets. The response argues the implementers have had

adequate time to implement their programs and should not be rewarded for delay.

For the reasons this ruling grants the requested extensions of Quantum and SBW, the requests for extensions of time by CIWMB, EGIA, and GHPC were reasonable under the circumstances.

IT IS RULED that:

1. The motion of Quantum Consulting, Inc., dated March 30, 2004, seeking an extension of time to implement the Oakland Energy Partnership Project is granted.
2. The motion of SBW Consulting, Inc., dated April 19, 2004, seeking an extension of time to complete its Compressed Air Management program is granted.

Dated May 4, 2004, at San Francisco, California.

/s/ KIM MALCOLM

Kim Malcolm
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Granting Extensions to Two Energy Efficiency Program Implementers on all parties of record in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail.

Dated May 4, 2004, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.